

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 12/21/2005

Division: Budget & Finance

Bulk Item: Yes X No

Department: Purchasing

AGENDA ITEM WORDING:

Approval for Bank of America to provide a Purchasing Card Program for Monroe County BOCC employees. Bank of America is the state contact for purchasing card programs.

ITEM BACKGROUND:

The purpose of a purchasing card (also known as a procurement card) program is to provide an efficient, cost effective method of purchasing and paying for small-dollar as well as high-volume , repetitive purchases. This type of program is designed as an alternative to the traditional purchasing process and can result in a significant reduction in volume of purchase orders, invoices, and checks processed. Purchasing cards can be used whenever a purchase order or audit slip would have been processed and with any vendor that accepts credit cards. (ie. travel and training or seminars and or anything as otherwise approved for the individual Cardholder by commodity code)

PREVIOUS RELEVANT BOCC ACTION:

NONE

CONTRACT/AGREEMENT CHANGES:

Contract and policies and procedures are currently under review by the Clerk and County Attorney and will be brought back to the next meeting for approval.

STAFF RECOMMENDATIONS:

Approval

TOTAL COST: N/A

BUDGETED: Yes No N/A

COST TO COUNTY: N/A

SOURCE OF FUNDS:

REVENUE PRODUCING: Yes No X AMOUNT PER MONTH Year

APPROVED BY: County Atty SA OMB/Purchasing Risk Management MS

DIVISION DIRECTOR APPROVAL:

(Salvatore R. Zappulla)

DOCUMENTATION: Included To Follow Not Required

DISPOSITION:

AGENDA ITEM #

QUICK REFERENCE

1. What is a Purchasing Card?
 - A credit card that is used as an alternative payment method for small dollar and travel and training expenditures for non-stocked products and services, for travel and training, or as otherwise approved for the individual Cardholder.
2. What are the advantages of using the Purchasing Card?
 - Improved user satisfaction due to prompt order confirmation and accelerated product receipt.
 - Improved vendor relations by eliminating the potential for late payments, the vendor is paid within 48 hours.
3. Who may have a Purchasing Card, and how do you obtain one?
 - Any employee responsible for making purchases that is recommended by their Department Director and is approved by the Purchasing Card Program Administrator.
4. What is the responsibility of the Cardholder?
 - Upon acceptance of the Purchasing Card, employee must sign a "Cardholder Agreement". Signing this agreement, acknowledges employee receipt of the card and acceptance of responsibility for abiding by the terms and conditions of the agreement.
 - Ensure that usage of the card conforms to procedures and that the card is used only for official business purposes.
 - Cardholder will retain and verify charge receipts and attach to the monthly statement.
 - Cardholder must obtain their Department Director's approval on a statement.
5. What is the Department Director's responsibility?
 - Identify and recommend employees who should be issued a Purchasing Card.
 - Identify and recommends limitations.
 - Ensure that the Purchasing Cards used in their department conform to BCC policy and program guidelines as well as the Purchasing Manual.
 - Review and sign detailed statement monthly.
 - Forward statements with receipts to the Purchasing Card Program Administrator.
6. What is the responsibility of the Purchasing Card Program Administrator?
 - Manage, authorize, terminate, and maintain a file of individuals authorized to conduct Purchasing Card transactions.
 - Respond to questions concerning Purchasing Card expenditures.
7. How are purchases made?
 - Cardholder calls or visits vendor and places order.
 - Cardholder provides the vendor with the Purchasing Card number and delivery instructions.
8. Does the Purchasing Card have a spending limit?
 - Individual transactions limited up to a pre-approved amount for small non-stocked products and services, for travel and training, or as otherwise approved by the Purchasing Card Program Administrator under the direction of the General Services/Purchasing Director and the County Administrator.
9. What happens if the statement is incorrect or an item needs to be returned?
 - Cardholder notifies credit card issuer if incorrect charge is identified on the statement.
 - Cardholder works with the vendor to arrange for returns and credit.

- Cardholder verifies that credit appears on next statement.
10. What types of purchases are allowable?
- The Purchasing Card is to be used for purchases of small dollar expenditures. These items can be purchased and picked up directly at the vendor, or can be ordered by telephone or fax and delivered to the Cardholder.
11. What purchases are disallowed?
- The Purchasing Card cannot exceed limitations placed on the individual card for non-stocked products and services, for travel and training or as otherwise approved by the Purchasing Card Program Administrator.
 - **Splitting of requirements - not allowed.**
 - Entertainment
 - Personal use
 - Cash advance
 - Alcoholic beverages
 - Tobacco products
 - Non-work or personal use items and services.
 - Services such as consultants or construction.
 - Telephone Credit Card
12. It should be noted that the Purchasing Card will be used by designated personnel to pay for issued Purchase Orders and other purchases not available to the general users.